



DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

News Release

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UNEMPLOYMENT RATE DROPS TO 3.8 PERCENT

HONOLULU- The Hawaii State Department of Labor and Industrial Relations announced today that the statewide unemployment rate in December was 3.8 percent, a decline of 0.2 percentage point compared with November.

The national unemployment rate in December remained unchanged over-the-month at 5.7 percent. In December 2001, Hawaii's unemployment rate stood at 5.0 percent, while the national unemployment rate was 5.4 percent. The statewide labor force in December 2002 was composed of 571,800 employed and 22,500 unemployed.

In another measure of employment, the number of non-agricultural jobs in December increased by 4,500 over-the-month.

In sum, the services industry grew by 900 jobs. The hospital sector contracted by 1,100 jobs, for the most part as a result of the nurses' strike. However, business services expanded by 1,400 jobs, as

(more)

temporary employment firms hired replacement nurses in addition to seasonal retail workers.

Retail trade employment rose by 1,800 jobs. Seasonal job gains were experienced in general merchandise stores (+600), eating and drinking establishments (+400), and apparel and accessory stores (+300).

Employment in government increased by 1,800 jobs. Seasonal work at the Department of Education and the University of Hawaii comprised the bulk of the job gains in state government, which grew by 1,300. Federal government expanded by 400 jobs, with seasonal post office hiring and airport security work accounting for most of the rise. Local government added 200 jobs.

Other major industry groups had smaller shifts in employment. Construction expanded by 300 jobs. In contrast, the combined transportation, communications, and utilities industries contracted by 300 jobs. Employment in manufacturing, wholesale trade, and the finance, insurance, and real estate industries combined remained relatively stable.

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UNEMPLOYMENT RATES (not seasonally adjusted)

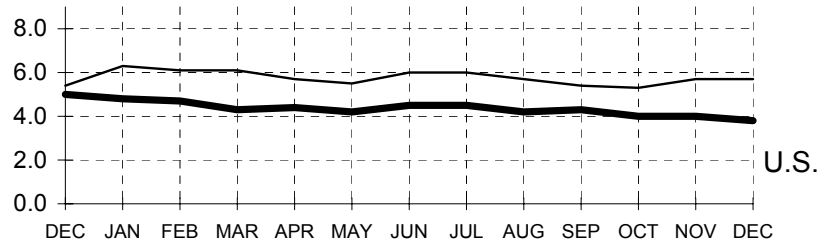
| | DEC 2002 | NOV 2002 | DEC 2001 |
|----------------------|-------------|-------------|-------------|
| STATE | 3.8 | 4.0 | 5.0 |
| HONOLULU* | 3.4 | 3.6 | 4.6 |
| HAWAII COUNTY | 5.0 | 5.2 | 6.0 |
| KAUAI | 5.2 | 5.0 | 6.5 |
| MAUI COUNTY | 4.1 | 4.1 | 5.8 |
| Maui Island | 3.9 | 4.0 | 5.9 |
| Molokai | 6.8 | 7.5 | 6.0 |
| Lanai | 3.9 | 4.4 | 4.0 |
| U. S. | 5.7 | 5.7 | 5.4 |

* City & County of Honolulu

COMPARATIVE RATES - U. S. AND HAWAII

2001 2002

| | DEC | JAN | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEP | OCT | NOV | DEC |
|---------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| U. S. | 5.4 | 6.3 | 6.1 | 6.1 | 5.7 | 5.5 | 6.0 | 6.0 | 5.7 | 5.4 | 5.3 | 5.7 | 5.7 |
| Hawaii | 5.0 | 4.8 | 4.7 | 4.3 | 4.4 | 4.2 | 4.5 | 4.5 | 4.2 | 4.3 | 4.0 | 4.0 | 3.8 |



Hawaii